

MINUTES OF THE WORK SESSION MEETING OF THE  
SANFORD AIRPORT AUTHORITY  
TUESDAY, JANUARY 16, 2018  
11:00 A.M.

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**PRESENT:** Tim M. Slattery, Chairman  
Jennifer T. Dane, Vice Chairman  
William R. Miller, Secretary/Treasurer  
U. Henry Bowlin  
Frank S. Ioppolo, Jr.  
Clayton D. Simmons  
Stephen P. Smith  
Brett Renton, Airport Counsel

**ABSENT:** Tom Green  
Clyde H. Robertson, Jr.

**STAFF PRESENT:** Diane Crews, President & CEO  
George Speake, Executive VP & COO  
Don Poore, Chief Financial Officer  
Jerry Crocker, IT Manager  
Thomas Fuehrer, SAPD Chief  
Lori Hunt, Executive Assistant  
Jacqueline Lauterbach, Leasing Manager  
Al Nygren, Property Manager  
Lauren Rowe, Communications Director  
Rachel Walker, Finance Manager

**OTHERS PRESENT:** Elizabeth Brown, General Manager AWW  
Keith Robinson, Vice President, Director of Finance AWW  
Stephanie Griffin, General Counsel AWW  
Angela Adams, AWW

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND INTRODUCTION OF GUESTS

The meeting was called to order at 11:05 a.m. followed by the Pledge of Allegiance and introduction of guests.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. COMMENTS FROM THE PUBLIC

None

#### 4. RATES & CHARGES

President Crews reviewed rates and charges but first stressed that the purpose of today's discussion is to increase awareness. In the future, proposed changes will come forward in November per the contract with AWW. She will then bring proposed changes to the Board during the budget process. She noted that per the contract she has to meet with Elizabeth 45 days ahead of time before taking proposed changes to the Board. President Crews then presented a power point of rates and charges.

PFC passenger facility charge: \$4 for each enplaning passenger fee since December 1, 2003. We have committed to our air carriers that we would not increase that rate with PFC #4. Once we get ready to do a new PFC that is something that needs to be looked at. By that time, legislation will have passed to increase the maximum from \$4.50 to either \$7.50 or \$8.50 and we will have to look at how much more we want to increase our PFC. Any change at all in these types of fees to our air carriers becomes concerning to the air carriers and to us as we try to market our airport. Right now having that lower PFC is a tremendous benefit to Elizabeth and her team as they go out and market the airport.

Discussion ensued regarding PFC fees and the need to be very cognizant this is a pass through fee. It was noted that we must consider there are other airports that we compete with not just in the USA, such as Canada and Mexico who have a completely different legislative environment under which they operate.

Request from Board Director Miller to provide the Board an update on airline total ticket cost breakdown.

President Crews discussed terminal use fees, participating and non-participating categories.

Elizabeth Brown discussed fleet transition process.

Discussion ensued regarding great opportunities SFB has in attracting new air carriers.

Elizabeth Brown discussed CPE, Cost per Enplanement.

President Crews stated all ticket counter space is common use in the terminal areas and is subject to reassignment or relocation at sole discretion of OSI. This is entrusted to OSI; they've done a good job with balancing that with the airlines and allocating space between the two terminals, which has been operating extremely well the past couple of years and even through the busy holiday season.



Discussion ensued regarding SAA conducting a passenger customer survey. President Crews responded that AWW does a survey; one was just conducted in December although we haven't seen the results yet. She felt it would be a good idea to share the results with the Board.

Elizabeth Brown informed the Board of the process acquiring new airlines.

President Crews informed the Board of upcoming meetings Lori Hunt will be scheduling between herself and Elizabeth Brown with individual Board Directors to have more in depth discussions of their concerns and get to know Elizabeth better.

President Crews reviewed the rates & charges matrix. Discussion ensued regarding CFC's.

#### 5. OSI CONTRACT REVIEW

President Crews presented an abstract of the contract which captures many of the responsibilities and recording requirements to be used as a tool. She stated that she, Elizabeth and their staffs have been meeting and will continue to meet to go through the different elements. A calendar is being prepared by Jennifer Taylor of everything that's embodied in the abstract as far as a deliverable and meetings are all calendared. Once it is finalized this calendar will be shared with the Board Directors.

President Crews reviewed reporting and meeting requirements of the contract.

President Crews asked Elizabeth Brown to share background on the consultant that has been engaged.

President Crews informed the Board that Elizabeth is bringing to the table more of a strategic approach.

President Crews discussed the Airfield Cost Revenue Center (ACRC) and informed the Board the annual consultation on the ACRC will be prepared and brought to the Board during the budget work session. The contract says the SAA will annually prepare its ACRC proposed Budget in draft form, furnish a copy to and consult with OSI regarding the draft budget at least 45 days before the ACRC budget is submitted to the SAA Board of Directors. This year it will be done twice, once at least 45 days prior to the budget work session and again in November. The reason to do this that far in advance is if it involves anything to do with the airlines you want to have as much lead time as possible, and this is part of strategy preparing for the future so you need to look at it as far in advance as you can in preparation for the implementation.

President Crews discussed financial and performance audits, SAA is to contract for auditing at least during the minimum designated periods and OSI is obligated to work in good faith with the auditors.

President Crews explained the reconciliation was divided into two parts so it would not be so cumbersome. Don Poore clarified the contract was signed on the 9<sup>th</sup> of November, and it's really hard to reconcile as of the 9<sup>th</sup> day of the month, so we went up to the end of October and reconciled from January 1 to October 31, then by February we will have November through December. Once that's done, then we will reconcile for the whole year.

President Crews stated this contract started January 1, 2017 but we were operating under the old contract through most of the year because the new contract wasn't finalized until November. Don will present the actual reconciliation to the Board at either the February or March Board meeting.

President Crews discussed reports and joint meetings. She informed the Board annually we will hold a strategic master planning and development meeting for five year planning that would be attended by both the SAA and OSI Chairpersons, or designees and executive staff from both parties. SAA will invite OSI to attend and participate in our annual meetings with the FAA and the FDOT regarding grant initiatives.

President Crews discussed real estate development, that the parties will meet at least one time annually to discuss the potential for joint and collaborative efforts for real estate development, for example a hotel or restaurant at or in the airport vicinity.

6. OTHER BUSINESS
7. REMINDER OF NEXT BOARD MEETING (FEBRUARY 6, 2018)
8. ADJOURNMENT

There being no further business, the meeting adjourned at 1:03 p.m.

Respectfully submitted,



Diane H. Crews, President & CEO

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